

Puget Sound Regional Council



## **POLICY FRAMEWORK FOR PSRC'S FEDERAL FUNDS**

- Regional policy direction and guidelines for the selection of projects to receive PSRC funds.
- Guidelines for development of the 2010–2013 Regional TIP
- Project tracking policies for PSRC's federal funds

**Adopted by PSRC's Executive Board January 22, 2009**

# Table of Contents

<b>Background</b> .....	1
Policy Framework.....	1
Regional TIP .....	1
Development of the 2010–2013 Regional TIP .....	2
PSRC Funds .....	3
<b>Policy Focus</b> .....	4
<b>PSRC’s STP and CMAQ Funds</b> .....	5
Overview of the Shared Regional/Countywide Process .....	5
Regional Process .....	6
Countywide Processes.....	8
<b>PSRC’s FTA Funds</b> .....	10
Guidelines for PSRC’s FTA Funds.....	10
Seattle-Tacoma-Everett UZA Funds .....	11

## Attachments

1. Project Recommendation Processes for the Regional TIP .....	13
2. SAFETEA-LU’s Eight Planning Factors .....	14
3. Schedule for Development of the 2010–2013 TIP .....	15
4. PSRC’s Regional TIP Development Process .....	16
5. Project Tracking Policies and Procedures for Regionally Managed Federal Funds.....	17
6. Map of Regionally Designated Centers.....	21
7. Estimated 2011–2012 STP and CMAQ Funds .....	22
8. Estimated 2011–2012 Seattle-Tacoma-Everett UZA FTA Formula Funds.....	25
9. Project Recommendation Appeals Process.....	26
10. Map of Areas Eligible for CMAQ Funds .....	27

# Policy Framework for PSRC's Federal Funds

## Background

### Policy Framework

Under the federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), the Puget Sound Regional Council (PSRC) is responsible for programming and maintaining the four-year Regional Transportation Improvement Program (TIP), and for selecting projects to receive funds from three federal funding programs:

- Surface Transportation Program (STP)
- Congestion Mitigation and Air Quality (CMAQ)
- Federal Transit Administration (FTA)

Under SAFETEA-LU, PSRC is required to document the process used for programming these funds. The "Policy Framework for the PSRC's Federal Funds" is intended to serve this purpose by providing policy direction and guidelines for the recommendation and selection of projects to receive PSRC funds.

#### 2009 Version of the Policy Framework

As currently required by SAFETEA-LU, every three years the Policy Framework document is refined, updated and adopted for use during PSRC's next project selection process. This version of the Policy Framework is a further refinement of the seven previous versions since 1993. In addition to more general policy direction, this Policy Framework contains specific information for PSRC's 2009 project selection process for programming PSRC funds, as part of the development of the 2010–2013 Regional TIP.

This version of the Policy Framework maintains strong and direct support for the "development of centers and the corridors that serve them" policy focus adopted by the region in 2002. The intent of the centers policy focus and guidance for programming PSRC funds is to support implementation of the policies and projects established in the region's Metropolitan Transportation Plan, *Destination 2030*,<sup>1</sup> first adopted by the region in May of 2001 and subsequently updated in 2004 and 2007. The Policy Framework also supports local comprehensive plans required by the state's Growth Management Act, by promoting and guiding more focused, coordinated regional and countywide programming activities for PSRC funds. It also establishes a direct connection to the adopted Regional Economic Strategy, as part of the project selection process for PSRC's federal funds, by recognizing the employment clusters identified in the Strategy as part of the centers policy focus.

### Regional TIP

The Regional TIP contains the transportation project list developed and approved through the regional decision-making process. The Regional TIP is focused on the development and implementation of projects that are part of or directly support key local, regional, and state transportation policies and plans, including *Destination 2030*. Under federal law, the Regional TIP must be a four-year program of projects that is updated at least every three years. At a minimum, federal and state legislation requires a Regional TIP to contain all of the region's transportation projects requesting federal transportation funding under Titles 23 CFR (Highways) and 49 CFR (Transit) in the United States Code, as well as all the region's non-federally funded, regionally significant projects. The 2010–2013 Regional TIP will therefore include:

---

<sup>1</sup> Destination 2030 is currently undergoing a major update to be adopted in 2010. The working title for the new plan is "Transportation 2040."

- Projects using federal funds managed by PSRC (STP, CMAQ, and FTA).
- Projects using federal and state funds managed by WSDOT.
- Projects of regional significance, regardless of funding source, required to be included in the air quality analysis and conformity determination of the Regional TIP.
- Projects carried forward from the 2007–2010 Regional TIP, with funds not yet obligated.

### **Responsibility for Project Selection**

As part of the development of the Regional TIP, PSRC is responsible for reviewing all projects submitted for programming. Attachment 1 diagrams the project recommendation processes used to program funds to the Regional TIP and the responsibilities of the various agencies involved. The process can be summarized as follows:

- **PSRC funds:** PSRC has primary responsibility for selecting projects to receive PSRC-managed federal funds from the STP, CMAQ, and FTA federal funding programs.
- **State managed funds:** WSDOT has primary responsibility for selecting projects to receive federal funds from programs such as Interstate Maintenance, the Bridge Program, and the National Highway System program. WSDOT also manages funds from several statewide competitive federal programs such as the Transportation Enhancements Program and the Safety Program. In addition, WSDOT and other state agencies are responsible for distributing state transportation funds.
- **Other federal funds:** The United States Congress, the Federal Highway Administration, and the Bureau of Indian Affairs (BIA) have primary responsibility for selecting transportation projects to receive funds from federally managed funding programs such as Discretionary/High Priority Programs, Transit New-Start Programs, the Transit Bus Allocation Program, and the Bureau of Indian Affairs' Indian Reservation Road Program. (Note: In this category, only regionally significant projects with air quality impacts are required to be included in the Regional TIP).
- **Local funds:** Cities, counties, ports, transit agencies, etc., have primary responsibility for selecting projects to receive local funds. (Note: In this category, only regionally significant projects with air quality impacts are required to be included in the Regional TIP).

## **Development of the 2010–2013 Regional TIP**

Every three years under SAFETEA-LU, PSRC coordinates a “project selection process” to identify projects to receive PSRC funds, as part of the programming and development of a new Regional TIP. PSRC's 2009 project selection process will identify projects to receive 2011 and 2012 STP, CMAQ and FTA funds. Projects selected to receive these funds will be subsequently programmed into the draft 2010–2013 Regional TIP.

### **Development Schedule**

Before funds can be programmed to the draft Regional TIP, PSRC must ensure that all projects recommended to receive the funds are consistent with *Destination 2030*, are financially feasible, and will not impede the Regional TIP's ability to meet federal and state air quality requirements. In the summer of 2009, PSRC is scheduled to conduct plan consistency and financial reviews of all projects submitted for inclusion in the draft Regional TIP, to ensure compliance with SAFETEA-LU and Growth Management Act (GMA) requirements. Following these reviews, PSRC will conduct regional air quality conformity modeling on the draft Regional TIP. Attachment 2 identifies eight SAFETEA-LU planning factors that must also be considered by PSRC in the development of the Regional TIP.

In creating a new Regional TIP, PSRC must ensure appropriate interagency coordination and opportunity for public comment. A public comment and review period for the draft Regional TIP is currently scheduled for September and October of 2009, assuming a favorable air quality conformity finding. The final Regional TIP is currently scheduled for adoption by PSRC's Executive Board in October 2009. Refer to Attachment 3 for the current schedule of the Regional TIP development process. Please note that the schedule is subject to change.

### **Consistency with City/County Plans**

Projects submitted by cities and/or counties to the PSRC for inclusion in the draft 2010–2013 Regional TIP will be included only if they are consistent with the most recently amended transportation element of a city/county plan that was certified by PSRC action as consistent with *Destination 2030* on or before April 24, 2008. All other agencies (e.g. transit agency, WSDOT, tribal nations, etc.) must show that their project is consistent with the applicable city and/or county comprehensive plan(s), and with *VISION 2040* and *Destination 2030*. **Cities whose transportation elements were not certified as of April 24, 2008 must submit adopted plan amendments or updates to the PSRC on or before March 31, 2009 for their projects to be considered for inclusion in the Regional TIP.**

## **PSRC Funds**

### **Eligibility Requirements**

As previously stated, PSRC is responsible for selecting projects to receive STP, CMAQ, and FTA funds. Each federal funding program has specific eligibility requirements, as follows:

- STP funds are the most flexible of PSRC funds and can be used for a variety of transportation projects and programs.
- CMAQ funds are available for specific categories of transportation projects and programs that improve air quality by increasing the efficiency of existing transportation facilities or reducing travel demand on those facilities. General purpose roadway projects are not eligible. Attachment 10 shows the areas eligible to receive CMAQ funds.
- FTA funds may be used only for transit related projects serving the region's three federal urbanized areas: Seattle-Tacoma-Everett, Bremerton, and Marysville.

### **Project Selection Process**

PSRC has an established process for recommending and selecting projects to receive PSRC funds. STP and CMAQ funds are programmed using a shared regional/countywide process that was begun in 1995 and has been used in each subsequent selection process since then. This process will again be used for the 2009 program development. FTA funds are programmed using a process coordinated by PSRC. It involves eligible public transportation operators and includes a regional competitive process for a portion of the funds. Attachment 4 provides a diagram of PSRC's Regional TIP development process, including the procedure for recommending projects to receive PSRC funds.

### **Strategies to Leverage Funds**

The significant shortage of current transportation funding suggests a more strategic investment is warranted. Most jurisdictions are looking for ways to maximize the benefits of transportation investments through increased partnerships and leveraging of funds. The region encourages use of strategies that can better leverage scarce transportation funds. Examples include the following:

- Working with WSDOT and the Transportation Improvement Board to leverage state and federal funds using PSRC funds.
- Attracting other state and nationally competitive funds by using PSRC funds as seed money for projects that implement regional strategies.

### **Project Tracking System**

Several years ago, PSRC began implementing a Project Tracking System to monitor the progress of PSRC's STP, CMAQ, and FTA funds. Currently, PSRC is tracking STP and CMAQ funds, and the system will now be broadened to include FTA funds. Refer to Attachment 5 for the approved "Project Tracking Policies for PSRC's Federal Funds." PSRC's Regional Project Evaluation Committee and the Project Progress and Accountability Committee are recommending some minor administrative changes to the section on scope changes.

# Policy Focus

## Adopted Policy Focus: Support for Centers and Connecting Corridors

The Policy Framework supports projects that focus on the development of regional growth centers, manufacturing/industrial centers (M/I centers), and the corridors that serve them, with the following clarifications:

*The 2009 Project Selection Task Force, a subcommittee of the PSRC Transportation Policy Board, recommended the following modifications for the 2009 project selection process: Update the 2006 adopted policy focus as directed by VISION 2040 to fund or prioritize projects and programs in or that serve regional growth centers, manufacturing industrial centers, and other centers as shown below. Staff should ensure that health benefits and reduction of greenhouse gases, as new elements, are included in regional and countywide project evaluation criteria.*

- For the **regional** competition for STP/CMAQ funds, the policy focus is on providing transportation improvements to a center or centers and the corridors that serve them. Centers are defined as regional growth centers and regional manufacturing and industrial centers as identified in VISION 2040 (refer to Attachment 6, "Map of Designated Centers").
- For the **countywide** STP/CMAQ competitions and the **FTA regional** project competition, the policy focus is on providing transportation improvements to a center or centers and the corridors that serve them. Centers are defined as regional growth and regional manufacturing/industrial centers, centers as designated through countywide processes, town centers, and other local centers.
- For all project selection processes, the employment clusters identified in the adopted Regional Economic Strategy (<http://www.prosperitypartnership.org/strategy/index.htm>) are included as part of the centers policy focus.
- This Policy Framework includes adopted project tracking policies that are intended to ensure the timely use of all of PSRC's federal funds. Project sponsors are accountable to the requirements of the adopted project tracking policies. In addition, all recommending forums will encourage the full funding of project phases to allow sponsors the ability to implement their projects in a timely fashion.

### Guidance for PSRC

The "support for centers and the corridors that serve them" policy described above was adopted in 2002 to help focus the region's near-term investment and funding decisions. It is intended as strong and direct policy guidance for the recommendation and selection of projects to receive PSRC funds. The policy was broadened to coordinate with the adopted Regional Economic Strategy and provides accountability through the region's adopted project tracking policies for projects funded with PSRC's federal funds. It recognizes the wide gap between total transportation system needs for all levels and all modes of transportation and the funding available to meet those needs. The policy is based on the region's priorities and adopted policies, as established in *Destination 2030*.

### Guidance for Washington State Department of Transportation

The policy focus described above also provides guidance for WSDOT. Federal Legislation (SAFETEA-LU) requires that WSDOT consult with PSRC in preparing its program of projects to be submitted for the Regional TIP. The policy focus is intended as guidance regarding the region's priorities.

# PSRC's STP and CMAQ Funds

## Overview of the Shared Regional/Countywide Process

PSRC conducts a shared regional/countywide process to recommend and select projects to receive STP and CMAQ funds. The total estimated STP and CMAQ funds are split between the regional and countywide forums<sup>1</sup> based on a preapproved funding split. Competitive processes are used by the forums to identify and recommend projects to receive the funds:

- **Regional process:** PSRC's Regional Project Evaluation Committee (RPEC), with support from PSRC, is responsible for coordinating a Regional Project Competition to identify and recommend projects to the Transportation Policy Board (TPB) to receive the regional portion of the STP and CMAQ funds.
- **Countywide processes:** The four countywide forums are responsible for coordinating the countywide project competitions to identify and recommend projects to the TPB to receive the countywide portions of the STP and CMAQ funds.

PSRC's delegation of these responsibilities to the countywide forums is intended to recognize the unique distinctions in local transportation needs. It also strengthens the integration of local, countywide, and regional growth management and transportation planning and implementation. RPEC's funding recommendations for the regional portion of the STP and CMAQ funds, along with countywide recommendations for the countywide portions, are forwarded to the TPB for review/discussion and approval for the draft TIP.

### STP and CMAQ Funds Combined to Increase Flexibility

The estimated STP and CMAQ funds are combined to allow for increased flexibility in funding the highest priority projects. This flexibility helps ensure ample opportunity for the regional forum (RPEC) to fund a number of high priority projects. After a funding recommendation has been made at the regional level, the remaining STP and CMAQ funds are allocated to the countywide processes, and the countywide forums finalize their project recommendations.

### Refinements to the Process

Every three years PSRC approves further refinements to the project selection process for STP and CMAQ funds, as part of the update to the Policy Framework and Regional TIP development process. It is PSRC's intent to continue refining the shared regional/countywide process as needed, in an effort to improve and focus the process and to support coordinated regional and countywide implementation of the adopted policy focus, *Destination 2030*, and local comprehensive plans. PSRC further intends to continue refining the Regional Project Evaluation Criteria and the evaluation and recommendation processes to encourage the funding of a few larger scale projects, in addition to several unique and innovative smaller projects that support *Destination 2030* and the adopted policy focus.

### PSRC Responsibilities

In coordinating the project selection process, it is part of PSRC's responsibility to work with RPEC and the countywide forums to accomplish the following tasks:

- Refine the Regional Project Evaluation Criteria so they increasingly build upon the adopted "support of centers and the corridors that serve them" policy focus, including support for the Regional Economic Strategy, climate change and health impacts and consistency with the Project Tracking Policies. (See Attachment 5.)
- Estimate STP and CMAQ funding levels for use in the shared regional/countywide process.

### Estimated 2011–2012 STP & CMAQ Funds and Funding Split

Attachment 7 contains the estimated STP and CMAQ funding levels approved for programming during PSRC's 2009 project selection process. The attachment also details how the STP and CMAQ funds will be

---

<sup>2</sup> For simplicity in this Policy Framework, the term "countywide forum" refers to those entities within each of the four counties which, by mutual agreement of the cities and county, agree to assume responsibility for reviewing, prioritizing, and recommending to PSRC their respective area's financially balanced transportation projects for STP and CMAQ funds, as part of the PSRC's shared regional/countywide project selection process for these funds.

shared between the regional and countywide processes (funding split), and provides breakdowns by county for the countywide processes.

### **Ten percent of Estimated 2011–2012 Funds to Nonmotorized Projects**

As in years past, it is the approved policy of the region to set aside at least 10 percent of the combined estimated STP and CMAQ funds available for programming during the 2009 project selection process for nonmotorized projects in the four counties. The countywide forums are responsible for identifying and recommending projects to receive these funds.

## **Regional Process**

### **Summary of the Regional Competitive Process for STP & CMAQ Funds**

PSRC coordinates a Regional Project Competition to identify and recommend projects to receive the regional portion of estimated STP and CMAQ funds available for programming. The process involves a call for projects, in which countywide forums are asked to identify and submit a limited number of project applications in the Regional Project Competition. PSRC staff is responsible for technically evaluating and scoring the project applications using the Regional Project Evaluation Criteria. The criteria are developed and approved by the RPEC prior to the call for projects, and based on the approved policy focus and the policies of *Destination 2030*.

When the scoring process is complete, the RPEC reviews and prioritizes the projects, and submits a funding recommendation to the TPB for further review and discussion. As required by SAFETEA-LU, no formula allocations are permitted. The TPB then forwards their funding recommendation to PSRC's Executive Board, for review, discussion, and action to include them in the draft TIP. The intent of the regional process is to identify, recommend, and select a limited number of regional, high-priority projects for the regional portion of the estimated STP and CMAQ funds available for programming.

### **Minimum Eligibility Requirements**

At a minimum, projects submitted to the Regional Project Competition must be on or support the Metropolitan Transportation System (MTS) and can include programs such as transportation demand strategies and broad planning activities that support *Destination 2030* and its policies.

### **Number of Projects Submitted**

Each of the countywide forums may submit up to six projects in the Regional Project Competition with the exception of King County, which may submit up to twelve. WSDOT, Sound Transit, and the Puget Sound Clean Air Agency may participate in countywide forums and submit projects through those forums. They may also each submit up to two additional projects independent of the countywide forums.

### **Evaluation and Scoring of Projects**

PSRC staff will complete a comprehensive technical evaluation of all projects submitted to the Regional Project Competition using the Regional Project Evaluation Criteria. The criteria were initially developed for the 2002 project selection process based on the "support for centers and connecting corridors" policy focus and the policies in *Destination 2030*. Since then, for each cycle they have been reviewed and refined as appropriate to address new/revised requirements and policies. This procedure will also be a part of the 2009 project selection process.

The technical review of projects will consist of an evaluation of each project's ability to address the established criteria. The criteria document contains guidelines for project sponsors as to the types of responses that will result in high, medium, or low scores for each criterion. The project sponsors will be invited to make brief presentations to the RPEC and the scoring team prior to the scoring process.

### **Scoring of CMAQ Projects**

The points allotted to the air quality criterion for projects seeking CMAQ funds will continue to be equal to a minimum of one-third of the total possible points. This is consistent with the Federal Highway Administration suggestion that point-values for air quality benefits be increased, subsequent to the 1993 project selection process to distribute ISTEA funds.

After TEA-21, the 1998 successor to ISTEA, was signed into law, PSRC's Executive Board approved a memorandum of understanding with WSDOT and the state's Transportation Management Areas regarding CMAQ-funded projects. It applies to the project selection process as follows: "Regional CMAQ funding priorities should be given to projects that provide sustainable reductions in emissions. When evaluating the potential benefits, priority must be given to programs and projects that support adopted attainment and maintenance plans within the region."

### **Recommendation of Projects to Receive Funds**

After all projects have been evaluated and scored, RPEC will discuss and prioritize the projects, and develop a funding recommendation. The funding recommendation is then submitted to the TPB and Executive Board for review/discussion and approval into the draft Regional TIP. Refer to Attachment 9 for a description of the process available to project sponsors to appeal a project recommendation for STP and CMAQ funds.

### **Rural Town Centers and Corridors Program**

The Rural Town Centers and Corridors program was developed in 2004 to support planning and capital project needs that demonstrate integration of rural highway corridor development needs with local rural town "main street" style development needs that can include transportation improvements/enhancements beyond just the roadway. Two million dollars of the estimated 2011-2012 STP funds allocated for the region's TIP process will be used for this rural program. To allow for the optimal coordination of rural program grant development, which involves at least the region's rural towns, the counties and WSDOT, the grant preparation, submittal and award process is conducted in alternate years from the region's major project selection process. The next rural grant program will take place during 2010. The following is a summary of the criteria and guidelines for how projects should be developed and recommended to receive funds through this program:

- Eligible Centers and Corridors: A document containing the list of eligible rural grantees and additional background information on this rural program can be found on PSRC's website at: <http://www.psrc.org/projects/rural/apppkt2.pdf>
- Partnership requirements: This program requires inter-jurisdictional coordination between rural towns/centers, county governments, WSDOT, and, as applicable to a given area, tribes, transit agencies and local business interests. These interests need to work together well in advance of submitting any grants to define and prepare an overall corridor concept development strategy for their respective rural corridors and town centers. This strategy may build upon earlier efforts or can evolve from new efforts, but it must identify and recommend the collective interests' preferred types of planning and capital projects that they have prioritized and are recommended to be submitted for grant funding. This grant program can be used either to support such strategy planning or it can be used to fund capital projects resulting from such planning.
- Collaborative Countywide-Regional selection process: The project selection process for this program includes two distinct stages. The schedule for both stages will be coordinated in advance by PSRC and published in its "Call for Rural Centers/Corridors Projects" in early 2010. The first stage of the process is conducted within each of the four countywide forums. The countywide forums will convene and coordinate a dialogue among at least their respectively eligible local rural towns/centers, county representatives, and WSDOT representatives for their county area. This early dialogue within each forum should identify and review their respective rural town center and corridor planning and capital project development needs and achieve agreement on their two top priority projects that might best support and compete in this program. The forums would then direct the appropriate project sponsors to put together the more complete detailed grant applications using PSRC's application forms and guidelines. The second stage of the process involves PSRC staff conducting and completing a technical evaluation of the grants submitted by each of the countywide forums, using approved guidelines and criteria (these criteria are included in the above noted PSRC website document at <http://www.psrc.org/projects/rural/apppkt2.pdf>). The staff technical evaluations will then be reviewed and considered by appropriate technical and policy advisory committees for subsequent recommendations for draft and final funding by fall of the 2010 TIP update by PSRC's Executive Board.
- Limitations to projects submitted: Each countywide organization may submit up to two rural centers and corridors grant applications. Individual applications requests may not exceed more than \$2 million from this program (this limit does not exclude incorporating or seeking funds from other revenue sources).

- **Geographic equity over time:** It is recommended that the region consciously avoid annual program awards involving geographic equity formulas, since this would result in very small, ineffective awards. PSRC will, however, seek to achieve a general sense of geographic balance over the life of the next federal transportation act.
- **Streamlined program administration costs:** Recognizing that federal grant funding requirements have been found to place a higher proportional burden of administrative costs on smaller projects such as those anticipated by this program, PSRC will work with WSDOT to minimize the administrative or overhead costs for these rural centers and corridors projects to allow more project funding to support direct project expenditures.
- **More information on PSRC Rural web page:** The Regional Council has a web page providing additional information about the background on the development of the Rural Town Centers and Corridor program along with a number of technical and informational resources related to rural centers and corridors planning issues. This web page can be found at: <http://www.psrc.org/projects/rural/index.htm>

## Countywide Processes

Each countywide forum is responsible for coordinating a competitive process to recommend projects to receive the countywide portions of estimated STP and CMAQ funds available for programming. The countywide allocations include nonmotorized-transportation funds and the minimum amount of STP Rural (STP/R) funds to be programmed to projects located outside the federal-aid urbanized and federal-aid urban areas. Funding recommendations from the countywide forums for the countywide allocations of the STP and CMAQ funds are forwarded to PSRC's Transportation Policy Board for review/discussion and approval for the draft Regional TIP.

### Countywide Forum Responsibility for Project Recommendation Process.

Each forum is responsible for developing and maintaining its own project recommendation process. To ensure regional consistency among processes and to verify that federal TIP standards are being met, documentation of these processes must be submitted to the TPB for review and approval. Any substantial changes to an approved recommendation process must be submitted for review and approval to the TPB prior to the start of a new funding round.

### Countywide Process Requirements.

At a minimum, an adequate countywide recommendation process must include the following SAFETEA-LU requirements:

- Consideration of all modal projects, including freight and goods.
- Involvement of all appropriate interests.
- Inclusion of a public decision-making process that is well documented and allows reasonable opportunity for public involvement.
- Consistency with *Destination 2030*.
- Under state GMA requirements, all projects submitted by cities/counties must be consistent with the most recently amended or updated city/county plan certified by PSRC action as of April 24, 2008. Cities whose transportation elements were not certified as of April 24, 2008 must submit adopted plan amendments or updates to PSRC on or before **March 31, 2009** for their projects to be considered for inclusion in the Regional TIP.
- Financial feasibility (assurance of available local match funds and balanced federal funds).
- No formula suballocation of funds to individual jurisdictions.
- Consideration of SAFETEA-LU's eight planning factors (see Attachment 2).

### Centers Policy Focus

The countywide forums must demonstrate that all projects recommended for funding meet the "support for centers and the corridors that serve them" policy focus, as defined in this document. As previously described, for the countywide processes, the definition of a center is broadened beyond regionally designated growth and manufacturing/industrial centers to include locally designated centers and the corridors that serve them.

In addition, the policy focus includes employment clusters identified in the Regional Economic Strategy and consistency with the region's project tracking policies by encouraging full funding of project phases.

**Technical and Policy Criteria**

Each countywide forum is responsible for developing technical and policy criteria for project review and evaluation that build upon the region's adopted policy focus and countywide GMA policies. The specific emphasis of the criteria is to be defined locally within each countywide process.

**Evaluation of Projects for Fund Eligibility**

Each countywide forum is responsible for conducting a technical review of projects using eligibility requirements provided by PSRC for specific SAFETEA-LU funding sources (e.g., ensuring that a project meets air quality requirements if it is recommended for CMAQ funds).

**Statement of Compliance**

Each countywide forum must submit the appropriate paperwork to PSRC for all projects recommended to receive 2011–2012 STP or CMAQ funds by the assigned date. In addition, the countywide policy forum must submit a signed letter to PSRC endorsing the agreed upon projects. The letter must verify that the forum has complied fully with its recommendation process as approved by the TPB, and that all submitted projects are financially balanced within approved countywide financial target allocations.

**Ten Percent to Nonmotorized Projects**

The combined list of recommended projects from the four countywide forums must include nonmotorized projects equal to at least 10 percent of the region's estimated 2011–2012 STP and CMAQ funds available for programming during the 2009 project selection process.

# PSRC's FTA Funds

## Guidelines for PSRC's FTA Funds

### Designated FTA Recipients

Responsibility for FTA-funded project development and prioritization is coordinated by designated FTA recipient(s) within each urbanized area (UZA), in cooperation with PSRC, as follows:

- Seattle-Tacoma-Everett (STE) UZA: Metropolitan King County (Metro), Community Transit, City of Everett, Pierce Transit, Sound Transit (for their respective portions of the urbanized area), PSRC, and Washington State Department of Transportation.
- Bremerton UZA: Kitsap Transit
- Marysville UZA: Community Transit

### Estimated FTA Funds

The 2009 project selection process will identify projects to receive estimated 2011–2012 formula FTA funds as shown in Table 1:

**Table 1**  
**Estimated 2011–2012 FTA Formula Funds**  
 (\$ in millions – numbers subject to rounding) Breakout of "Earned Share" and Competitive Programs for STE

Urbanized Area	5307	5309 FG	Total	Earned Share	Competition	PSRC Work Program	Total
STE	\$184.4	\$72.9	<b>\$257.2</b>	\$224.0	\$32.2	\$1.06	<b>\$257.2</b>
Bremerton	\$5.6	--	<b>\$5.6</b>	\$5.6	--	\$0.03	<b>\$5.6</b>
Marysville	\$2.8	--	<b>\$2.8</b>	\$2.8	--	\$0.02	<b>\$2.8</b>
<b>Total</b>	<b>\$192.8*</b>	<b>\$72.9</b>	<b>\$265.6</b>	<b>\$232.3</b>	<b>\$32.2</b>	<b>\$1.11</b>	<b>\$265.6</b>

\* The estimate includes a tentative allocation of up to \$1.11 million of FTA 5307 funds to PSRC from the region's three UZAs, consisting of approximately \$1.062 million taken from the STE UZAs 5307 competitive funds, approximately \$32,000 from the Bremerton UZA, and approximately \$16,000 from the Marysville UZA. The \$1.11 million will support regional transportation planning and programming and will be programmed as part of both the TIP and PSRC's work program and budget. At least \$360,000 of the \$1.11 million is anticipated to become available to PSRC for use in its work program, pending agreement with the region's Designated Recipients. Until such agreement is reached, or PSRC withdraws its request for any portion of the \$1.11 million, the \$360,000 will be identified as "anticipated" and the balance of \$750,000 will be identified as having "contingency" status.

For the STE UZA, approximately \$32.2 million of the \$265.6 million shown in Table 1 will be distributed through a competitive process. The balance will be distributed through its earned share formula and minimum floor adjustment, to accommodate the UZA's multiple transit agencies. See Attachment 8 for the STE UZA's distribution methodology.

### Responsibility for Inviting Sponsors to Submit Projects

PSRC is responsible for inviting sponsors to submit eligible projects for STE UZA funds on behalf of the STE FTA Caucus (see "Process for the Seattle-Tacoma-Everett UZA" for more information on the STE UZA). The designated recipients for the Bremerton and Marysville UZAs have this same responsibility for their respective areas. They are responsible for inviting all agencies with projects eligible for FTA funding to their prioritization meeting(s). If the designated recipient is the only agency with projects to submit, that agency must provide appropriate documentation.

### **Projects Recommended to Receive Funds**

The FTA groups, or caucuses, for each UZA collectively prioritize and financially balance projects, and then submit them to PSRC's Transportation Operators Committee (TOC). Upon TOC review, the projects are forwarded to the TPB for review. All FTA-funded projects must be approved by the Executive Board before they can be recommended for inclusion in the draft Regional TIP. Refer to Attachment 9 for a description of the process to appeal an FTA funding recommendation.

### **Transit Enhancements and ADA Requirements**

Additional federal requirements apply when transit operators use FTA 5307 funds:

- **Transit Enhancements:** One percent of the estimated FTA 5307 funds available to UZAs with 200,000+ populations must be used for transit enhancement projects and programs. In the PSRC region, only the STE UZA meets this population threshold. Eligible transit enhancements include:
  - Historic preservation, rehabilitation, and operation of historic mass transportation buildings, structures, and facilities (including historic bus and railroad facilities).
  - Bus shelters.
  - Landscaping and other scenic beautification, including tables, benches, trash receptacles, and streetlights.
  - Public art.
  - Pedestrian access and walkways.
  - Bicycle access, including bicycle storage facilities and installation of equipment for transporting bicycles on mass transportation vehicles.
  - Transit connections to parks within the sponsor's transit service area.
  - Signage.
  - Enhanced access to mass transportation for persons with disabilities.
- **ADA:** In Transportation Management Areas (TMAs) such as the central Puget Sound region, FTA funds must be used for transit-related purposes within each of the designated recipient agency's service areas, until they fully comply with all the requirements of the Americans with Disabilities Act (ADA) of 1990. Up to but not more than 10 percent of the total estimated FTA 5307 funds available to each UZA may be used for ADA paratransit projects and programs.

### **“Support for Centers and the Corridors that Serve Them” Policy Focus**

This policy focus applies to FTA-funded projects as defined for the countywide processes, and includes consideration of the employment clusters identified in the Regional Economic Strategy. However, recognizing that the majority of FTA funded projects are preservation, replacement or ADA-required projects, this policy will apply only to projects proposed for other types of improvements.

## **Seattle-Tacoma-Everett UZA Funds**

The STE UZA was formed in May 2002 when new Census Bureau data merged the Seattle-Everett UZA with the Tacoma UZA. Subsequent to this change, the Executive Board directed PSRC staff to work with the new STE FTA Caucus to revise its methodology for recommending projects for the UZA's FTA funds.

### **Project Recommendation Process**

In 2003, the Seattle-Tacoma-Everett FTA Caucus developed a three-component process for identifying projects to receive funds. The caucus has recommended use of this approach over the six-year period of federal fiscal years 2004 through 2009:

- **“Earned Share” Formula Component:** The portion of STE UZA funds based on public transit system data will be distributed using the national FTA distribution formula (e.g., about 86 percent of the funds). This is known as the “earned share” portion of the funds. The national formula allocates transit funds in the federal budget to the metropolitan areas, using UZA federal census data and public transit system data. This performance and operating data is derived from the National Transit Database which summarizes individual agencies' information from their annual data submittals as required by the FTA.
- **Adjustment Component:** The UZA formula will then be adjusted after each agency's earned share is calculated, to ensure that each operator receives a minimum allocation based on its earned share.

The adjustment process provides for the three smaller public transit agencies (Everett Transit, Seattle Monorail, and Pierce County Ferry) to allow them to receive 1 percent of the UZA's earned share formula funds if its actual earned share is below 1 percent.

- Competitive Component: The remaining funds, approximately 14 percent, will be distributed using a regional competition for projects.

In coordinating the project selection process to program PSRC's FTA funds, PSRC is responsible (in coordination with the TOC and the STE Caucus) for the following:

- Refining the Regional Project Evaluation Criteria so they increasingly build upon the adopted policy focus as described in this document.
- Determine the appropriate estimated FTA formula funding levels for use in the regional competition.

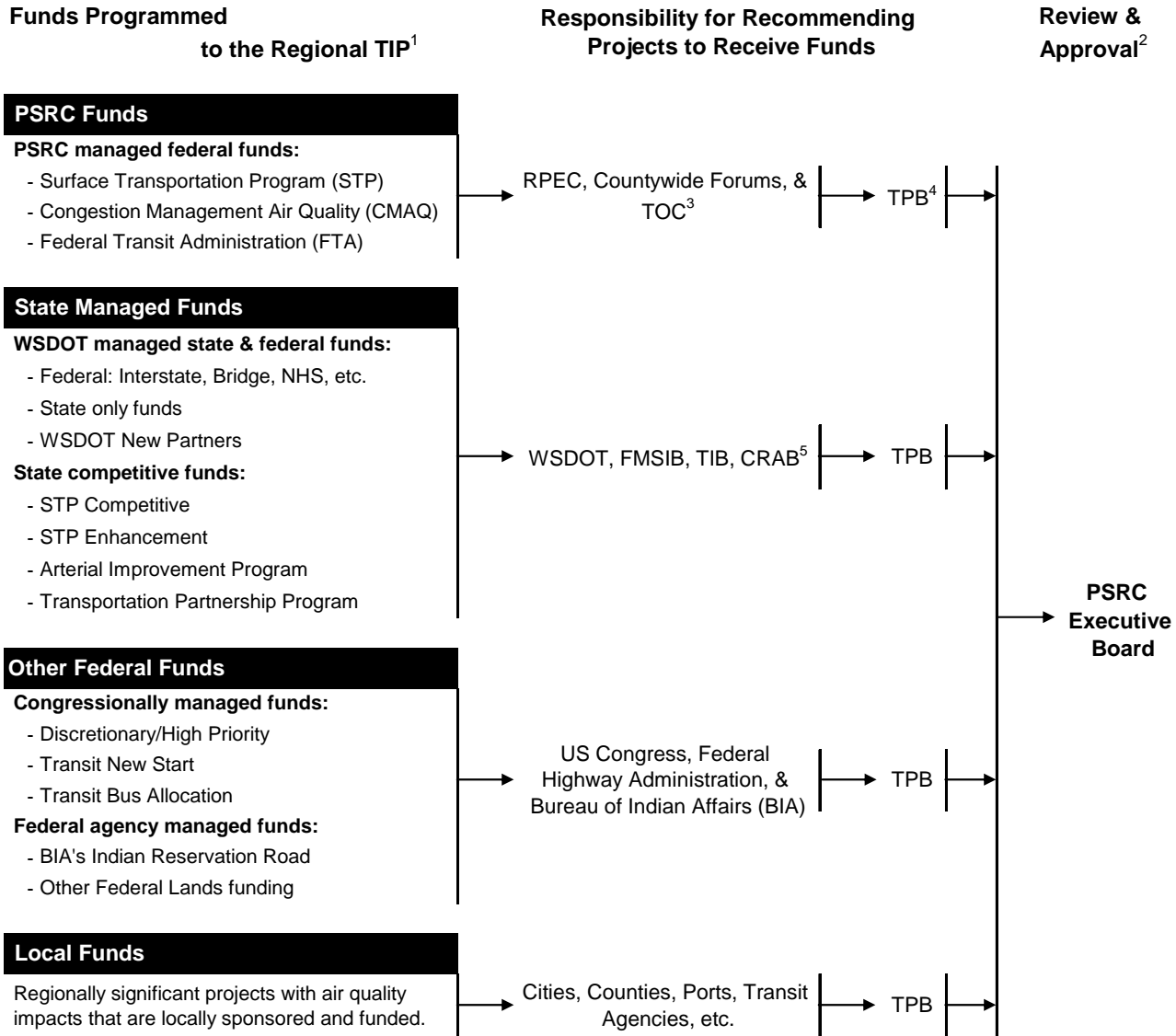
### **Regional FTA Competition**

Similar to the STP/CMAQ regional competition, PSRC coordinates a Regional Project Competition for FTA funds to identify and recommend projects to receive a portion of estimated FTA 5307 formula funds available for programming. The process involves a Call for Projects, in which public transportation operators and local jurisdictions are asked to identify and submit project applications in the Regional Competition. PSRC staff is responsible for technically evaluating projects and scoring the project applications using Regional Project Evaluation Criteria. The criteria are developed and agreed upon by the STE Caucus prior to the call for projects, and based on the approved policy focus and the policies of *Destination 2030*.

When the scoring process is complete, the STE Caucus reviews and prioritizes the projects, and submits a funding recommendation to the TOC. The TOC then recommends the list to the TPB for their review and discussion. The TPB forwards their funding recommendations for all of PSRC's federal funds to the Executive Board for inclusion in the draft Regional TIP. Attachment 3 is a schedule for the 2009 project selection process for PSRC's federal funds.

# Attachment 1

## Project Recommendation Processes for the Regional TIP



<sup>1</sup> Under federal and state legislation, the Puget Sound Regional Council (PSRC) is responsible for programming and maintaining the Regional Transportation Improvement Program (TIP), which is required to include all of the region's transportation projects requesting federal transportation funding and all non-federally funded, regionally significant projects. The Regional TIP is focused on the development and implementation of projects that are in or directly support key local, regional, and state transportation plans and policies including *Destination 2030*, the region's Metropolitan Transportation Plan.

<sup>2</sup> Before funds can be programmed in the Regional TIP, the PSRC must ensure all projects recommended to receive the funds are consistent with *Destination 2030*, are financially feasible, and will not impede the TIP's ability to meet federal and state air quality requirements. In creating a new Regional TIP, the PSRC must also ensure appropriate interagency coordination and opportunity for public comment.

<sup>3</sup> Responsibility for recommending projects to receive PSRC funds: PSRC's Regional Project Evaluation Committee (RPEC) for the regional portion of STP/CMAQ funds, the four countywide forums for countywide portions of STP/CMAQ funds, & the Transportation Operator's Committee (TOC) for FTA funds.

<sup>4</sup> TPB = PSRC's Transportation Policy Board.

<sup>5</sup> WSDOT = Washington State Department of Transportation, FMSIB = Freight Mobility Strategic Investment Board, TIB = Transportation Improvement Board, CRAB = County Road Administration Board.

## Attachment 2

### SAFETEA-LU's Eight Planning Factors

ISTEA, the Intermodal Surface Transportation Efficiency Act of 1991, established policies with the intent to broaden and strengthen the ability of urbanized areas to link their comprehensive planning programs to funding decisions on transportation projects. TEA-21, the 1998 successor to ISTEA, and SAFETEA-LU continued support of this goal, by stating the following:

“It is in the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight and foster economic growth and development within and through urbanized areas, while minimizing transportation-related fuel consumption and air pollution. To accomplish this objective, metropolitan planning organizations, in cooperation with the state and public transit operators, shall develop transportation plans and programs for urbanized areas of the state. The plans and programs for each metropolitan area shall provide for the development and integrated management and operation of transportation systems and facilities (including pedestrian walkways and bicycle transportation facilities) that will function as an intermodal transportation system for the State and the United States. The process for developing the plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.”

In developing the Regional Transportation Improvement Program (TIP) to carry out this mandate, SAFETEA-LU requires that each regional/metropolitan planning organization consider at least the following eight factors.

1. Support the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency.
2. Increase the safety of the transportation system for motorized and nonmotorized users.
3. Increase the security of the transportation system for motorized and nonmotorized users
4. Increase the accessibility and mobility options available to people and for freight.
5. Protect and enhance the environment, promote energy conservation, and improve quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns.
6. Enhance the integration and connectivity of the transportation system, across and between modes, for people and for freight.
7. Promote efficient system management and operation.
8. Emphasize the preservation of the existing transportation system.

## Puget Sound Regional Council Schedule for Development of the 2010–2013 TIP

MILESTONES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT
<b>1. Regional STP/CMAQ project recommendation process</b> <ul style="list-style-type: none"> <li>• PSRC issues call for projects for regional competition (2/1)</li> <li>• Workshops (2/9–2/20)</li> <li>• Applications for regional competition due to PSRC (4/10)</li> <li>• Applicant sponsors present projects (4/24 and 4/27)</li> <li>• RPEC reviews scoring (5/28)</li> <li>• RPEC recommends projects for regional STP/CMAQ funds (5/28 and 5/29)</li> <li>• Detailed applications (TIPNEW &amp; TIPMOD) due for projects recommended for funding (7/7)</li> </ul>		●	■	●	●	●	●			
<b>2. Countywide STP/CMAQ project recommendation processes</b> <ul style="list-style-type: none"> <li>• Countywide groups submit projects for regional competition (by 4/10)</li> <li>• Countywide groups submit recommended changes to their processes, if applicable (by 4/17) (Note: Substantive changes must go to the Transportation Policy Board for approval)</li> <li>• Screening forms on projects considered for countywide process due to PSRC (5/1)</li> <li>• Countywide groups conduct project recommendation processes (by 5/23)</li> <li>• Countywide policy forums approve recommended projects and submit to PSRC (by 5/23)</li> <li>• Detailed applications (TIPNEW &amp; TIPMOD) due for projects recommended for funding (7/7)</li> </ul>		■	■	●	●		●			
<b>3. FTA project recommendation processes</b> <ul style="list-style-type: none"> <li>• PSRC issues call for projects for STE UZA competitive funds (2/1)</li> <li>• Workshop (2/11)</li> <li>• Applications for STE UZA competitive funds due to PSRC (4/1)</li> <li>• Applicant sponsors present projects to STE Caucus (4/14 and 4/15)</li> <li>• All UZA Caucuses submit recommended projects for remainder of funds, i.e., non-comp. (5/27)</li> <li>• STE Caucus reviews scoring and recommends projects (5/19 and 5/20)</li> <li>• TOC recommends projects for all FTA funds, including STE competition (6/5)</li> <li>• Detailed applications (TIPNEW &amp; TIPMOD) due for projects recommended for funding (7/7)</li> </ul>		●		●	●	●	●			
<b>4. Policy review of policy framework, recommended regional, countywide &amp; FTA-funded projects</b> <ul style="list-style-type: none"> <li>• TPB and Executive Board action on 2006 TIP policy framework (1/8 and 1/22)</li> <li>• TPB reviews recommended projects and releases them for air quality analysis (7/9)</li> <li>• Executive Board reviews TPB recommendation (7/23)</li> </ul>	●	●					●	●		
<b>5. PSRC issues call for projects requiring regional air quality modeling (3/31)</b> Detailed applications (TIPNEW & TIPMOD) due for these projects (5/27)			●		●					
<b>6. Final review of all projects to verify federal/state/regional requirements met (July–August)</b>							■	■		
<b>7. Air quality conformity</b> <ul style="list-style-type: none"> <li>• Scoping meeting (7/17)</li> <li>• Modeling (August)</li> <li>• Validation of conformity* (9/2)</li> </ul>							●	■	●	
<b>8. Format public review and comment period</b> TPB releases the conformity finding and Draft TIP for public comment period (9/10–10/8)									■	
<b>9. TPB and Executive Board action on TIP and conformity finding (10/8 and 10/22)</b>										●
<b>10. State and federal review and approvals (December 2009)</b>										●

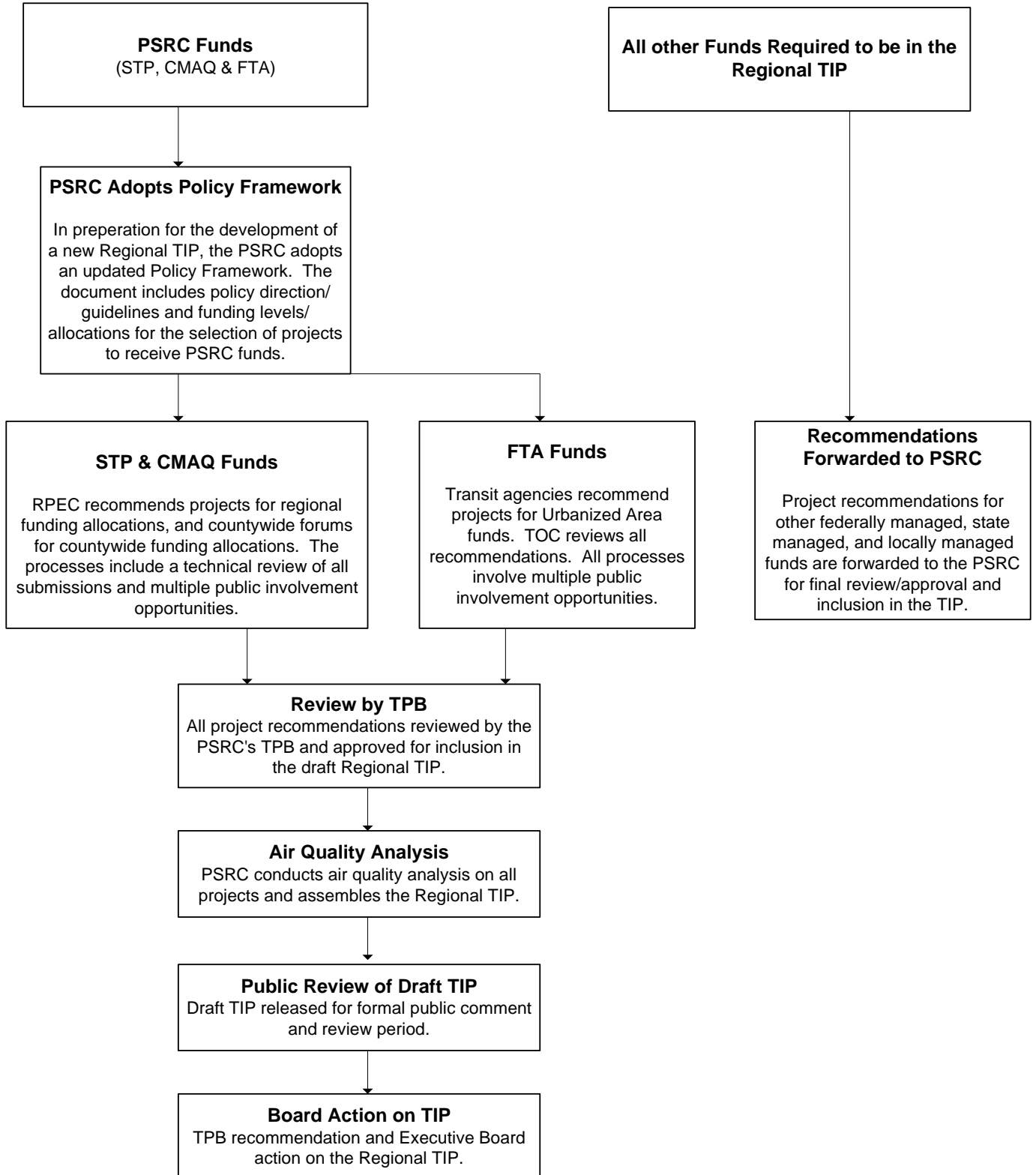
\* Critical date — assumes a favorable conformity finding. If not, additional 30 days required.

● meeting or deadline

■ time period

# Attachment 4

## PSRC's Regional TIP Development Process



## Attachment 5

### PROJECT TRACKING POLICIES FOR PSRC'S FEDERAL FUNDS (Revised January 22, 2009 by the Executive Board)

#### Introduction

The project tracking policies contained within this document apply to the following federal funds for which the Puget Sound Regional Council (PSRC) has primary responsibility for project selection through the Safe, Accountable, Flexible, Efficient Transportation Equity Act: a Legacy for Users (SAFETEA-LU):

- Surface Transportation Program (STP) – urban (STP/U) and rural (STP/R)
- Congestion Mitigation and Air Quality Improvement Program (CMAQ)
- Federal Transit Administration (FTA) – Section 5307 & Section 5309 Fixed Guideway

The purpose of the project tracking system is to ensure the timely use of all regionally managed federal funds (hereafter referred to as “PSRC funds”). Three important goals of the system are to:

- Implement approved projects
- Identify the reasons for, and possible solutions to, project delays
- Ensure a consistent process is followed for any distribution of PSRC funds

The PSRC funds identified above are distributed through a competitive process. This competitive process is based on the requirements of SAFETEA-LU, with additional guidance provided by the following documents:

- VISION 2040, the region's long-range growth, transportation, and economic strategy
- *Destination 2030 Update*, the region's long-range metropolitan transportation plan
- *Regional Economic Strategy for the Central Puget Sound Region*
- Local comprehensive plans, as required by the state Growth Management Act
- A policy framework revised and adopted prior to PSRC's project selection process

The Transportation Policy Board (TPB) recommends to the Executive Board approval of the distribution of funds to projects via this competitive process. Each project sponsor then identifies the appropriate estimated obligation date for each phase of its project receiving PSRC funds. A one-year grace period beyond the estimated obligation date is established for each of these phases.

The estimated obligation dates identified by each sponsor when funds are programmed in the Regional Transportation Improvement Program (TIP) are used for monitoring the progress of the funds and the projects. The current project tracking system monitors the obligation of STP and CMAQ funds, as well as the completion of projects with these funds. Policies and procedures for monitoring the expenditure of STP, CMAQ and FTA funds will be instituted at a future date. Policies and procedures for monitoring the obligation, and completion of projects with FTA funds follow.

#### Policies

##### A. Obligation Monitoring of STP and CMAQ Funds

Each phase of a project with STP and/or CMAQ funds is allowed a one-year grace period beyond the estimated obligation date. If unobligated by the end of this grace period, funds are at risk of being removed from the project. Regional Council staff will provide regular reports to both the TPB and the Regional Project Evaluation Committee (RPEC) regarding those projects with STP and/or CMAQ funds that are approaching this milestone. These reports will include information on the age of the funds, the

phases programmed, and the length of time passed beyond the estimated obligation date (i.e., months “past due”).

When any STP or CMAQ funds are nine months past the estimated obligation date (before the one-year grace period expires), Regional Council staff will contact the project sponsor and initiate an evaluation process. Staff will meet with the sponsor, gather information on the reasons for the delay, and prepare a recommendation to RPEC about whether or not an obligation date extension is warranted. The detailed procedures for how these evaluations will be conducted are contained in the “Administrative Guidelines for Implementing PSRC’s Project Tracking Policies” (<http://www.psrc.org/projects/tip/tracking/index.htm>).

1. The length of any obligation date extension will be determined on a case-by-case basis and may be allowed for any date within the three-year time span of the current TIP. RPEC will then make a recommendation to the appropriate PSRC boards.
2. If the determination by Regional Council staff and subsequently by RPEC, is that an obligation date extension is not warranted, the recommendation to the Boards will be to remove the funds in question from the project. Project sponsors will be provided the opportunity to present their case to the Boards if they choose to appeal the recommendation. The TPB will be regularly notified well in advance of all delayed projects with “at risk” funds via the reports mentioned above, and will be taking action on all subsequent activities. Any redistribution of these funds will follow the policies contained in Section E below.

#### B. Expenditure Monitoring of STP and CMAQ Funds

The previous version of the project tracking policies (as adopted in July 2003) established a 10-month grace period after PSRC funds were obligated. If no expenditures occurred by the end of this 10-month period, a review of the project would occur. Due to the complexity of how expenditures occur in the presence of multiple funding sources, these policies are currently being reviewed. Any proposed revisions will be presented to RPEC and the Boards for final adoption.

#### C. Obligation Monitoring of FTA Funds

Each phase of a project with PSRC FTA funds is allowed a one-year grace period beyond the estimated obligation date. If un-obligated by the end of this grace period, funds are at risk of being removed from the project. Regional Council staff will provide regular reports to the Transportation Operators Committee (TOC) of those projects with PSRC FTA funds that are approaching this milestone. These reports will include information on the age of the funds, the phases programmed, and the length of time passed beyond the estimated obligation date (i.e., months “past due”).

When any PSRC FTA funds are nine months past the estimated obligation date (before the one-year grace period expires), Regional Council staff will contact the project sponsor and initiate an evaluation process. Staff will meet with the sponsor, gather information on the reasons for the delay, and prepare a recommendation to the TOC on whether or not an obligation date extension is warranted.

When the PSRC FTA funds are from the Seattle-Tacoma-Everett (STE) urbanized area, the Regional Council evaluation will be submitted to the STE FTA Caucus for its review and recommendation prior to the TOC.

The length of any obligation date extension will be determined on a case-by-case basis and may be allowed for any date within the four-year time span of the current TIP.

The detailed procedures for how these evaluations will be conducted are contained in the “Administrative Guidelines for Implementing PSRC’s Project Tracking Policies.”

#### D. Scope Changes to Projects Awarded STP, CMAQ and/or FTA Competitive Funds<sup>2</sup>

Requests for a change in scope for a project that received PSRC funds must be submitted to the Regional Council for evaluation by PPAC. All projects awarded PSRC funds were selected via a competitive process based upon the expectation that the project as described in the original grant application would be delivered in the timeframe specified. During the selection process, the description of each project went through an extensive public review and comment period and air quality analysis. As a result, proposed scope changes will require careful review and evaluation by PSRC staff and PPAC before any action can be taken.

An existing project's scope may not be modified so substantially as to effectively constitute a new project. Requests will be reviewed on a case-by-case basis, but a change in location (e.g., moving PSRC funding for improvements on one street to another) or outcome (e.g., changing the scope from a high occupancy vehicle lane to a general purpose lane) may be considered a new project and, therefore, denied). A key factor will be how the project was originally described and evaluated during the competitive process that resulted in the awarding of PSRC funds. All requests for scope changes will be reviewed by PPAC to ensure that the proposed change(s) still substantially meets the project's original intent and objective (e.g., does the change to the project still solve the same problem that the original scope intended to solve) If PPAC determines that the proposal constitutes a change to the project's original intent or objective, the request will be forwarded to the project's original awarding forum with a recommendation that it be denied. Further information is provided in the "Administrative Guidelines for Implementing PSRC's Project Tracking Policies." (<http://www.psrc.org/projects/tip/tracking/index.htm>).

#### E. Distribution of New and "Returned" STP, CMAQ and FTA Competitive Funds

The TPB and Executive Board in 2004 approved contingency lists of prioritized projects, in case additional funds become available through the reauthorization of the federal transportation act, the project tracking system, or any other source. These contingency lists became effective with the adoption of the 2005-2007 Regional TIP. They remain in effect until the next project selection process. The contingency lists encompass the RPEC and countywide STP and CMAQ processes, as well as the FTA competitive process. The FTA funds distributed noncompetitively will not be affected by this policy.

The policies for distributing new and "returned" funds are categorized by the three separate competitive processes and discussed on the following pages.

1. **New funds** are defined as additional funds to the region from the reauthorization of SAFETEA-LU or other sources.
2. **Returned funds** may originate from several sources: unused funds remaining from completed projects, unused funds remaining from cancelled projects, or funds "returned" from projects due to a variety of reasons such as an indefinite delay to a project, a change in priorities, or the receipt of other funding sources.

#### F. Funding Splits

Any new STP/CMAQ funds to the region will be split between the RPEC and countywide processes according to the most recently adopted Policy Framework. For 2009, this split is 50/50. Returned STP/CMAQ funds will be identified as coming from either the RPEC or countywide competitive processes and distributed accordingly.

FTA funds are received in the region through both specific transit services provided by individual transportation operators and through population, density, and other regional attributes. The 2004 Policy Framework established a process for the Seattle-Tacoma-Everett (STE) Urbanized Area whereby approximately 86 percent of the FTA funds were awarded directly to those agencies. This is referred to as

---

<sup>2</sup> FTA Competitive Funds refer only to the competitive process conducted in the Seattle-Tacoma-Everett Urbanized Area at this point in time, and do not include funds distributed non-competitively or funds distributed to other urbanized areas.

noncompetitive funding. The remaining 14 percent was programmed to specific projects using a competitive process. New FTA funds coming to the region will be evaluated by PSRC, the STE FTA Caucus and the Transit Operators Committee (TOC) to determine the appropriate split between these two categories – noncompetitive and competitive. For 2009, the split remains 86/14.

1. STP and CMAQ Funds: RPEC

- 1A) New Funds: All new STP and/or CMAQ funds to be distributed in the RPEC competitive forum will be applied toward the regional prioritized contingency list.
- 1B) Returned Funds: All returned funds will be applied toward the regional prioritized contingency list. Special, extraordinary circumstances may arise, however, whereby a project not on the approved contingency list is recommended to receive these funds; the original sponsor of the returned funds must present a compelling case before such a recommendation will be made.

All new and returned funds generally will be accumulated for an annual distribution to coincide with the Annual Air Quality Exercise (formerly the Major Amendment to the Regional TIP). At the discretion of PSRC and RPEC, more frequent distributions may occur on a case-by-case basis. All distributions will be presented to the appropriate PSRC Policy Boards, and will follow the procedures contained in the “Administrative Guidelines for Implementing PSRC’s Project Tracking Policies” (<http://www.psrc.org/projects/tip/tracking/index.htm>).

2. STP and CMAQ Funds: Countywide

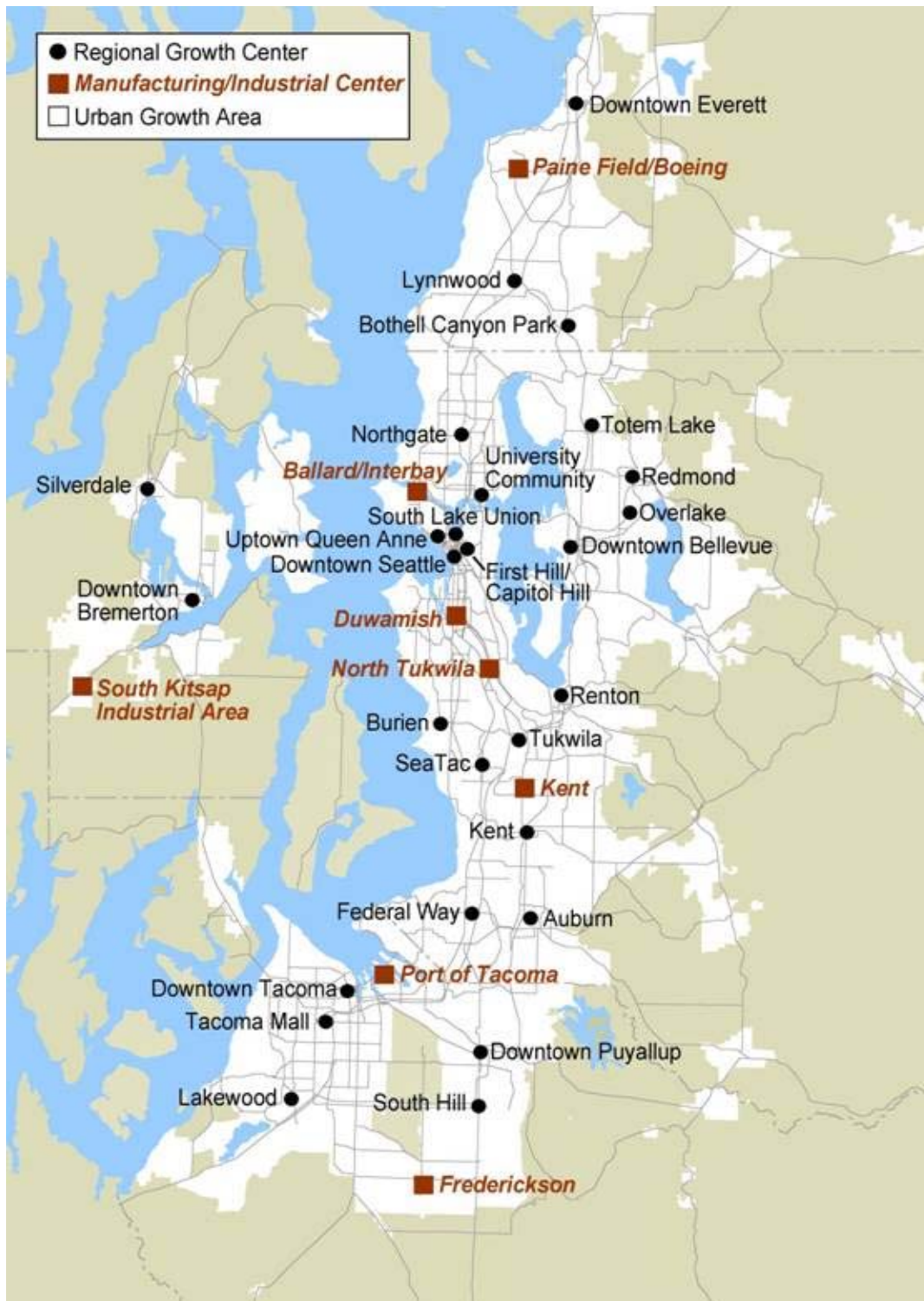
- 2A) New Funds: All new STP and/or CMAQ funds to be distributed in the countywide competitive forums will be applied toward each county’s prioritized contingency list.
- 2B) Returned Funds: All returned funds may be redistributed either to projects on the countywide contingency lists or to other projects in the current TIP at the discretion of each countywide forum. Each countywide forum will develop a competitive process for the distribution of returned funds, consistent with the requirements of SAFETEA-LU and PSRC policies. Requests for the distribution of funds to projects not on the approved contingency lists will be reviewed by PSRC staff prior to any countywide recommendation; such review will encompass all projects possibly receiving these returned funds.

All new and returned funds will generally be accumulated for an annual distribution to coincide with the Annual Air Quality Exercise (formerly the Major Amendment to the Regional TIP); however, more frequent distributions may occur on a case-by-case basis. All distributions will be presented to the appropriate PSRC Policy Boards, and will follow the procedures contained in the “Administrative Guidelines for Implementing PSRC’s Project Tracking Policies” (<http://www.psrc.org/projects/tip/tracking/index.htm>).

3. FTA Competitive Funds

- 3A) New Funds: All new FTA funds to be distributed in the competitive forum will be applied toward the FTA contingency list. As mentioned above, new FTA funds coming to the region will be evaluated by PSRC, the STE FTA Caucus and the TOC to determine the appropriate split between earned share and competitive distributions.
- 3B) Returned Funds: Procedures for the redistribution of returned funds will be determined at a future date by PSRC, the STE FTA Caucus and the TOC.

# Attachment 6



\*This map identifies the Regional Growth Centers and Manufacturing/Industrial Centers to be used for the regional STP/CMAQ competition. For all other competitions, the centers definition is broadened to include centers as designated through countywide processes, town centers and other local centers.

## Attachment 7

### Estimated 2011-2012 STP & CMAQ Funds

The text below and corresponding spreadsheet describe the estimated 2011 and 2012 STP and CMAQ funds available for programming during PSRC's 2009 project selection process, and how those funds will be allocated between the regional and countywide processes.

#### Estimated 2011-2012 STP/CMAQ Funds

##### Select Projects Based on Estimate of \$104.15 M\*

Prior to each project selection process, PSRC staff work with federal funding partners to estimate how much money will likely be available to the region in upcoming years. The estimate is then used during the next project selection process to program funds, and later adjusted as needed when the final numbers are confirmed.

Since SAFETEA-LU will expire in 2009, exact annual allocations for 2011 and 2012 funds are currently not known. Staff has worked with WSDOT/FHWA to determine a reasonable estimate of funds likely to be available. A total of \$104.15 million will be used as the estimated 2011-2012 STP and CMAQ funds available for programming during the 2009 project selection process. This conservative estimate is based on the approach used in 2006 and is based on the funds awarded that year.

##### Create Backup List of Projects

In addition to the \$104.15 million in STP and CMAQ funds that will be programmed in the Regional TIP as part of the 2009 project selection process, a prioritized backup list of projects will be established in case more funds become available.

Both the regional and countywide forums will recommend lists of projects to receive funding based on the \$104.15 million estimate, with an additional backup list of ranked projects to receive funding if more becomes available. No additional or separate criteria will be used to establish the backup list. All funds beyond the \$104.15 million will be split between the regional and countywide forums using the approved funding split. The backup list will become effective with the adoption of the 2010-2013 Regional TIP in October 2009, and will remain in effect until March 2011 when the 2011 project selection process for STP and CMAQ funds begins with the release of a call for projects.

#### Allocation of the \$104.15 Million in Estimated Funds

##### Funds "Taken Off the Top"

Some funds will be "taken off the top" of the estimated \$104.15 million, as follows:

- Support of nonmotorized (NM) projects: Approximately ten percent, or \$10.42 million, will be taken off the top for nonmotorized projects. These funds will be divided among the countywide forums based on population, and applied to the countywide shares (for details, see the section entitled "Countywide Shares"). The countywide forums are responsible for recommending nonmotorized projects to receive these funds.
- Kitsap County: Since Kitsap County is outside the air quality maintenance area boundaries, projects in this county are ineligible to receive CMAQ funds. Therefore, 6.8 percent or \$4.51 million, of the remaining STP funds will be taken off the top for Kitsap County, leaving \$89.23 million in STP/CMAQ funds.

##### Funds for the Regional and Countywide Processes

The remaining \$89.23 in estimated 2011-2012 STP and CMAQ funds will be split 50/50 percent between the regional and countywide processes, respectively. As previously noted, the countywide forums will also receive the nonmotorized funds taken off the top. The actual split of the funds after those additional amounts are

taken into account will be 43 percent regional / 57 percent countywide, rather than 50/50 percent, as illustrated below:

- Regional process: 50 percent of the remaining \$89.23 million equals \$44.61 million.
- Countywide processes: 50 percent of the remaining \$89.23 million equals \$44.61 million for the King, Pierce, and Snohomish County processes. The additional \$10.42 million for nonmotorized projects and \$4.51 million for Kitsap County results in a total of \$59.54 million for the countywide processes.
- Actual funding split: \$44.61 million (for the regional process) is 43 percent of the total \$104.15 million available. \$59.54 million (for the countywide processes) is 57 percent of the total \$104.15 million available.

**Rural Town Centers & Corridors Pilot Program**

A total of 2 million dollars in STP funds will be taken off the top of the \$44.61 million available for the regional process for the Rural Town Centers & Corridors Pilot Program. This additional \$2 million will be set aside to administer and fund projects identified through the program. The funds may be used to leverage additional funds from other sources. It is anticipated that projects will be recommended to receive the funds through the countywide forums, using the TPB-approved processes used for countywide portions of PSRC’s STP and CMAQ funds, but with a rural focus – i.e., a list of potential projects would be developed collectively, and then decisions would be made as to which projects to recommend based on priority and the available funds.

**Regional Project Competition**

Approximately \$42.61 million will be available for programming through the Regional Project Competition (after \$2 million for the Rural Town Centers and Corridors Program is taken off the top of the \$44.61 million available for the regional process).

**Countywide Shares**

The countywide shares are calculated based on 2008 population estimates, as follows: King 51.9 percent, Kitsap 6.8 percent, Pierce 22.1 percent, Snohomish 19.2 percent (source: Washington State OFM, April 2008). Since Kitsap County receives 6.8 percent of the STP funds available to the region, the 50 percent, or \$44.61 million, in countywide funds available from the regional/countywide split is distributed to the remaining three counties as follows: King 55.6 percent, Pierce 23.8 percent, and Snohomish 20.6 percent. Refer to the corresponding spreadsheet for a breakdown of the funds available for the countywide processes by county.

**STP Rural Funds**

The countywide totals *include* the minimum amount of STP Rural (STP/R) funds that must be programmed to projects and/or programs located outside the federal aid urbanized area. The amount of STP Rural funds is fixed, as established as a federal requirement in 1992. The amount is to be no less than 110 percent of the FHWA apportioned “federal-aid secondary” (FAS) funds to Washington state for our region in 1991. The amount for the period of this policy framework is shown as follows:

<b>Minimum 2011-2012 STP/R Funds to be Programmed, by County</b>	
King County	\$605,178
Kitsap County	\$493,354
Pierce County	\$520,164
Snohomish County	\$672,776
<b>Total</b>	<b>\$2,291,472</b>

## Estimated 2011 - 2012 STP & CMAQ Funds

Two-year estimated totals in millions,  
based on a 50% regional & 50% countywide funding split.

Estimated 2011 - 2012 STP & CMAQ Funds	
STP Funds*	\$66.35
CMAQ Funds	\$37.80
<b>Total Estimated funds available for programming</b>	<b>\$104.15</b>

Funds Taken Off the Top	
10% for nonmotorized (NM) projects (STP & CMAQ)	\$10.42
6.8% for Kitsap County (STP)	\$4.51
<b>Total Funds taken off the top</b>	<b>\$14.93</b>
Funds remaining for 50% regional & 50% countywide split	\$89.23

Funds for the Regional & Countywide Processes				
<b>Regional Process</b>				
	50% of	\$89.23	\$44.61	
			\$44.61	
		Funds for rural program (STP)		\$2.00
		Remaining for Regional Competition		\$42.61
<b>Countywide Process</b>				
	50% of \$89.23	50% of \$89.23	\$44.61	
plus funds		For NM projects	\$10.42	
taken off the top		For Kitsap County	\$4.51	
		Total:	\$59.54	
<b>Recommended split: 50% regional / 50% countywide</b>			\$104.15	
<b>Actual split: 43% regional / 57% countywide</b>				

Breakdown of Countywide Funds**				
County	2008 Population %	Share	10% NM	Subtotals
King County	51.86%	\$24.82	\$5.40	\$30.23
Kitsap County	6.79%	\$4.51	\$0.71	\$5.22
Pierce County	22.17%	\$10.61	\$2.31	\$12.92
Snohomish County	19.17%	\$9.18	\$2.00	\$11.17
<b>Totals</b>	<b>100.00%</b>	<b>\$49.12</b>	<b>\$10.42</b>	<b>\$59.54</b>

\* \$66.35 million assumes \$2.25 million taken off the top of the total estimated STP funds to support regional transportation programming at PSRC. These funds will be programmed as part of PSRC's adopted budget.

\*\* Since Kitsap's share of funds is taken "off the top," the remaining portion of countywide funds is assigned proportionately to the other three counties. Actual percentage of countywide funds per county =  
 King County 50.77%                      Kitsap County 8.77%  
 Pierce County 21.70%                      Snohomish County 18.77%  
 Note: The countywide totals are rounded. Actual amounts may vary.

## Attachment 8

<b>Estimated FFY 2011-2012 FTA Formula Funds Seattle/Tacoma/Everett UZA</b> (in millions)			
<b>Agency</b>	<b>Preliminary Earned Shares*</b>	<b>Minimum Floor Adjustments</b>	<b>Total</b>
Community Transit	\$ 19.36	-	\$ 19.36
Everett Transit	1.52	\$ 0.69	2.21
King County Metro	121.94	-	121.94
Pierce County Ferry Ops.	1.69	0.52	2.21
Pierce Transit	14.22	-	14.22
City of Seattle	0.45	1.76	2.21
Sound Transit	42.80	-	42.80
Washington State Ferries	19.02	-	19.02
<b>Subtotal</b>	<b>\$ 221.00</b>	<b>\$ 2.97</b>	<b>\$ 223.97</b>
<b>STE UZA Competitive Funds to PSRC Work Program</b>			<b>1.06</b>
<b>Remaining Competitive Funds</b>			<b>32.20</b>
<b>Total Estimated FFY 2011-2012 STE UZA Formula Funds</b>			<b>\$ 257.23</b>
Note: Figures contained in this table are subject to rounding			
* 5307 and 5309 Fixed Guideway, Earned Shares prior to minimum floor adjustments			

**Notes:**

- Totals may not sum due to rounding
- For the 2009 project selection cycle, the STE UZA's estimated FFY 2011-2012 FTA formula funds (estimated at \$257.2 million, as shown on Table 1 in the Framework) will be programmed. .
- Minimum floor adjustment: This adjustment is based on the size of earned share calculation: For any agency with an earned share below 1 percent of the total earned share portion of the UZA's formula fund appropriation, an adjustment is made equal to the difference of the agency's earned share and 1 percent.
- The total of up to \$1.11 million of FTA 5307 funds is tentatively allocated to PSRC from the region's three UZAs. This amount includes approximately \$1.062 million from the STE UZA's total 5307 competitive funds for the period 2011 through 2012. Combined with approximately \$48,000 taken from the Bremerton and Marysville UZAs for the same 2-year period, the \$1.11 million will support regional transportation planning and programming at PSRC, to be programmed as part of both the TIP and PSRC's work program and budget. If the full \$1.11 million is allocated to PSRC, it will be programmed at \$360,000 in 2011 and \$750,000 in 2012. Further information on programming these funds to PSRC is provided on Table 1 (see page 10).

## Attachment 9

### Project Recommendation Appeals Process

Below is a description of the processes available for project sponsors to appeal a project recommendation made by a recommending forum for PSRC funds. The process varies depending on the type of funds (STP or CMAQ funds, or FTA funds) and the forum involved (for STP/CMAQ funds, whether the project requested funds as part of the regional or countywide processes).

STP or CMAQ Funds		FTA Funds
Regional Process	Countywide Processes	
The project sponsor submits a written request to PSRC, asking to initiate the appeals process, and including a full description of the reason for the appeal.	The project sponsor submits a written request to PSRC, asking to initiate the appeals process, and including a full description of the reason for the appeal.	The project sponsor submits a written request to PSRC, asking to initiate the appeals process, and including a full description of the reason for the appeal.
The appeal is submitted to the Regional Project Evaluation Committee (RPEC) for review and consideration.	The appeal is submitted to the appropriate countywide technical forum for review and consideration.	The appeal is submitted to the Transportation Operators Committee (TOC) for review and consideration.
The RPEC makes a recommendation, which is reviewed by the sponsor.	The countywide technical forum makes a recommendation, which is reviewed by the sponsor.	The TOC makes a recommendation, which is reviewed by the sponsor.
If the project sponsor is unsatisfied with the RPEC's recommendation, they can request the appeal be forwarded to the TPB for review and final resolution.	If the project sponsor is unsatisfied with the forum's recommendation, they can request the appeal be forwarded to the countywide policy group for final resolution.	If the project sponsor is unsatisfied with the TOC's recommendation, they can request the appeal be forwarded to the TPB for review and final resolution.



# Attachment 10 - Map of Areas Eligible for CMAQ Funds

## Central Puget Sound Region Designated Maintenance Areas

